

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7681**

**BILL NUMBER:** HB 1313

**NOTE PREPARED:** Jan 9, 2007

**BILL AMENDED:**

**SUBJECT:** Comptroller General.

**FIRST AUTHOR:** Rep. Crawford

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ **GENERAL**  
☐ **DEDICATED**  
☐ **FEDERAL**

**IMPACT:** State

**Summary of Legislation:** The bill establishes the General Accountability Office as an agency of the General Assembly. The bill provides that the administrative head of the Office is the Comptroller General appointed jointly by the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

It requires the Office to: (1) review and audit entities established by law or that receive money derived from appropriations made by the General Assembly at the request of a member of the General Assembly; (2) evaluate programs established by Indiana law; and (3) review all privatization contracts entered into after December 31, 2004.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** The bill will have indeterminate increased fiscal impact for the General Assembly. The bill establishes the General Accountability Office (GAO) and the Comptroller General to perform audits, program evaluations, and reviews as directed by the General Assembly or one of its members. Ultimately, the cost of a GAO and a Comptroller General will be based on the actions of the General Assembly in funding the GAO and the requests made by the General Assembly and its members.

*Background:* Agencies of the General Assembly are funded with state General Fund dollars. The bill does not indicate if the Comptroller General may hire staff or how many audits, reviews, or evaluations are to be completed each year. The number of evaluations, audits, and reviews that can be completed in a year depend on the number of staff available and the scope of each program. In addition, the Legislative Services Agency currently devotes some staff and resources for this function and could be incorporated into the new GAO. These issues will be decided by the General Assembly in providing an appropriation for the GAO.

*Background on State Program Evaluation Programs:* Most state evaluation programs indicate that one to four team members are needed for evaluations and audits depending on the scope. The chief officer of legislative evaluation units receive compensation greater than \$75,000 based on a 2005 survey by National Legislative Program Evaluation Society.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** General Assembly.

**Local Agencies Affected:**

**Information Sources:** <http://ncsl.org/programs/nlpes/>

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